



FH  
[REDACTED]

**STATE OF WISCONSIN**  
**Division of Hearings and Appeals**

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In the Matter of

[REDACTED]  
[REDACTED]  
[REDACTED]

DECISION

MGE/149212

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**PRELIMINARY RECITALS**

Pursuant to a petition filed May 3, 2013, under Wis. Stat. § 49.45(5), and Wis. Admin. Code § HA 3.03(1), to review a decision by Milwaukee Enrollment Services in regard to Medical Assistance, a hearing was held on June 6, 2013, at Milwaukee, Wisconsin.

NOTE: The record was held open until June 27, 2013, to give Petitioner an opportunity to submit medical expenses to the agency to determine whether Petitioner's out of pocket medical expenses meet the Medicaid deductible for the period of May 1, 2013 and October 31, 2013. Neither party submitted any documentation by the designated deadline to indicate whether they were able to accomplish this task.

The issues for determination are whether Milwaukee Enrollment Services correctly determined that Petitioner must meet a \$7,225.98 deductible to qualify for Medicaid benefits and whether Petitioner has met that deductible amount.

There appeared at that time and place the following persons:

**PARTIES IN INTEREST:**

Petitioner:

[REDACTED]  
[REDACTED]  
[REDACTED]

Respondent:

Department of Health Services  
1 West Wilson Street  
Madison, Wisconsin 53703  
By: Katherine May, HSPC  
Milwaukee Enrollment Services  
1220 W. Vliet St.  
Milwaukee, WI 53205

**ADMINISTRATIVE LAW JUDGE:**

Mayumi M. Ishii  
Division of Hearings and Appeals

### **FINDINGS OF FACT**

1. Petitioner (CARES # [REDACTED]) is a resident of Milwaukee County.
2. On April 3, 2013, the agency sent Petitioner a notice, indicating that his income was over the program limit for Medicaid, but that he could qualify for benefits if he met a \$7,225.98 deductible. (Exhibit 5, pg. 14)
3. Petitioner filed a request for fair hearing that was received by the Division of Hearings and Appeals on May 1, 2013.
4. Petitioner's only source of income is from social security retirement benefits, in the amount of \$1,816.00 per month. (Exhibit 5, pg. 6)

### **DISCUSSION**

Social Security income is considered when determining eligibility for healthcare/Medicaid. *Medicaid Eligibility Handbook §15.4.10*. In determining eligibility there is a general deduction from reported income of \$20. *Medicaid Eligibility Handbook §15.3.8 General Income Disregard*. The medically needy income limit for a household of two is \$591.67. *Medicaid Eligibility Handbook §39.4.1 EBD Assets and Income Table*.

Petitioner did not dispute the fact that his monthly income is \$1816.00 from Social Security Retirement benefits. If one subtracts the \$20 general deduction from Petitioner's monthly Social Security Benefit, the result is \$1796.00 in countable income. This is well over the \$591.67 income limit for Medicaid eligibility for a household of two.

However, a person can still qualify for Medicaid benefit, even if over the income limit, if the person meets a certain deductible. *Medicaid Eligibility Handbook §24.1*.

To calculate the deductible amount, the income limit is deducted from monthly countable income and multiplied by the number of months in the deductible period. *Medicaid Eligibility Handbook §24.5.1* In Petitioner's case the deductible calculation is as follows:

$$\begin{aligned} \$1796.00 \text{ countable monthly income} - \$591.67 \text{ income limit} &= \$1204.33 \\ \$1204.33 \times 6 \text{ months in the deductible period} &= \$7225.98 \text{ deductible} \end{aligned}$$

Thus, the agency correctly calculated Petitioner's deductible amount. However, I note that in the case comments, Exhibit 5, pg. 10, there is an entry dated 10/26/12 stating that, "...a medical bill was submitted for \$35,534.45 and used to open two deductible periods of \$7627.98 each. \$7627.98 times 2 = \$15315.96...35,534.45-15315.96=\$20218.85 to be used towards current deductible and \$13,160.87 left for future deductibles."

It is unclear why the remaining balance of the \$13,160.87 has not yet been applied to the current deductible period to qualify petitioner for benefits. This matter will have to be remanded to the agency for review of the bill submitted in October 2012, to see if Petitioner is able to meet the deductible.

If Petitioner has accrued additional medical expenses since October 2012, he is encouraged to submit those to the agency for evaluation.

### **CONCLUSIONS OF LAW**

The agency correctly determined Petitioner's deductible amount.

There is insufficient information in the record to determine whether Petitioner has met the deductible amount.

**THEREFORE, it is**

**ORDERED**

That the agency review the bill that Petitioner submitted in October 2012 to see if Petitioner meets the required deductible. The agency shall then send Petitioner a Notice of Decision. The agency shall take all administrative steps necessary to complete these tasks within ten days of this decision.

**REQUEST FOR A REHEARING**

This is a final administrative decision. If you think this decision is based on a serious mistake in the facts or the law, you may request a rehearing. You may also ask for a rehearing if you have found new evidence which would change the decision. Your request must explain what mistake the Administrative Law Judge made and why it is important or you must describe your new evidence and tell why you did not have it at your first hearing. If you do not explain these things, your request will have to be denied.

To ask for a rehearing, send a written request to the Division of Hearings and Appeals, P.O. Box 7875, Madison, WI 53707-7875. Send a copy of your request to the other people named in this decision as "PARTIES IN INTEREST." Your request for a rehearing must be received no later than 20 days after the date of the decision. Late requests cannot be granted.

The process for asking for a rehearing is in Wis. Stat. § 227.49. A copy of the statutes can be found at your local library or courthouse.

**APPEAL TO COURT**

You may also appeal this decision to Circuit Court in the county where you live. Appeals must be served and filed with the appropriate court no more than 30 days after the date of this hearing decision (or 30 days after a denial of rehearing, if you ask for one).

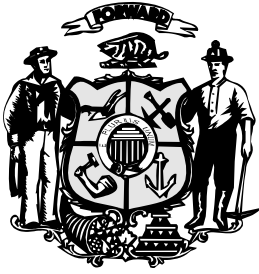
For purposes of appeal to circuit court, the Respondent in this matter is the Department of Health Services. After filing the appeal with the appropriate court, it must be served on the Secretary of that Department, either personally or by certified mail. The address of the Department is: 1 West Wilson Street, Madison, Wisconsin 53703. A copy should also be sent to the Division of Hearings and Appeals, 5005 University Avenue, Suite 201, Madison, WI 53705-5400.

The appeal must also be served on the other "PARTIES IN INTEREST" named in this decision. The process for appeals to the Circuit Court is in Wis. Stat. §§ 227.52 and 227.53.

Given under my hand at the City of Milwaukee,  
Wisconsin, this 28th day of June, 2013.

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\sMayumi M. Ishii  
Administrative Law Judge  
Division of Hearings and Appeals



**State of Wisconsin\DIVISION OF HEARINGS AND APPEALS**

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The preceding decision was sent to the following parties on June 28, 2013.

Milwaukee Enrollment Services  
Division of Health Care Access and Accountability